

AR51



DU PONT OF CANADA

Annual Report  
1965





Vice-President 1934-1941  
President 1941-1954  
Board Chairman 1954-1965  
Honorary Chairman 1965-1966



*On 15th April 1966, George W. Huggett will retire from the Board of Directors by virtue of the age limitation contained in the General By-Laws of the Company.*

*After serving with associated companies in various countries since 1911, Mr. Huggett came to Canada in 1928 and was appointed Secretary in 1929. Elected Vice-President in 1934, he succeeded the Right Honourable Arthur B. Purvis as President in 1941. After the Company's division in 1954, he was appointed Board Chairman and became Honorary Chairman a year ago.*

*Few companies are so fortunate as to have the uninterrupted benefit of such wisdom and management skill as those of George W. Huggett over a period of close to 40 years. His leadership of the Company throughout its periods of greatest growth and his guidance, patience and kindly counsel which have been unstintingly available to his associates through the years testify to his unique abilities.*

*The Board of Directors, on its own behalf as well as on that of the shareholders and employees, pays tribute to this great Canadian industrial statesman.*

### **Board of Directors**

Robert G. Beck

Joseph M. Breen

Frank S. Capon

W. Samuel Carpenter, III

Irénée du Pont, Jr.

Robert L. Hershey

George W. Huggett

John K. Jenney

Herbert H. Lank

Hugh H. Lawson

R. Russell Pippin

Lester S. Sinness

### **Officers**

George W. Huggett  
Honorary Chairman of the Board

Herbert H. Lank  
Chairman of the Board

Robert G. Beck  
President

Frank S. Capon  
Vice-President

Herman F. Hoerig  
Vice-President

Franklin S. McCarthy  
Vice-President

Frank G. Raymant  
Vice-President

K. M. Place  
Treasurer

H. J. Hemens, Q.C.  
Secretary

C. A. Harvie  
Assistant Treasurer

T. S. Morse  
Assistant Treasurer

Transfer Agent, Registrar and Dividend Disbursing Agent  
Montreal Trust Company  
Montreal, Toronto and Vancouver

Sur demande, il nous fera plaisir de vous envoyer  
l'édition française de ce rapport.

### Comparative Financial Results

|  | 1965          | 1964          | % Change |
|--|---------------|---------------|----------|
| Sales  | \$188,452,000 | \$171,883,000 | +10      |
| Costs and expenses before provisions for depreciation and income taxes | 152,323,000   | 130,975,000   | +16      |
| Depreciation   | 10,922,000    | 8,339,000     | +31      |
| Income taxes   | 12,837,000    | 17,085,000    | -25      |
| Net income   | 12,538,000    | 15,649,000    | -20      |
| Earnings a Common Share*   | \$1.57        | \$1.96        |          |
| Dividends a Common Share   | \$1.00        | \$1.00        |          |
| Capital expenditures   | 39,650,000    | 28,877,000    | +37      |
| Return on investment   | 5.4%          | 8.1%          | -33      |

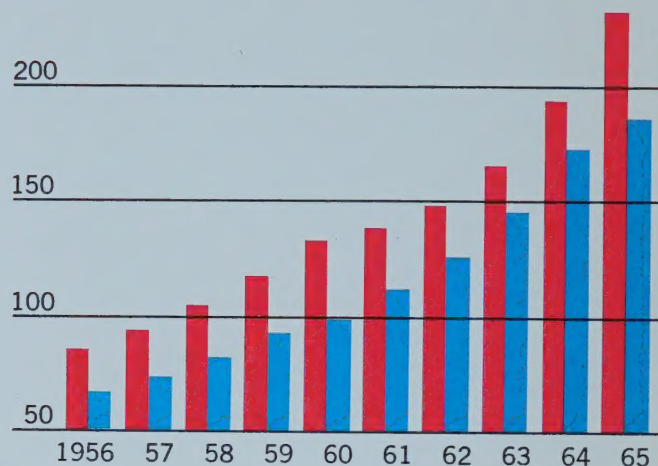
\*Earnings a share in 1964 have been adjusted to reflect the larger number of shares outstanding at 31st December, 1965.



# Annual Report 1965

Sales and Average  
Operating Investment  
(Millions of Dollars)

■ Average Operating Investment  
■ Sales



## To the Shareholders

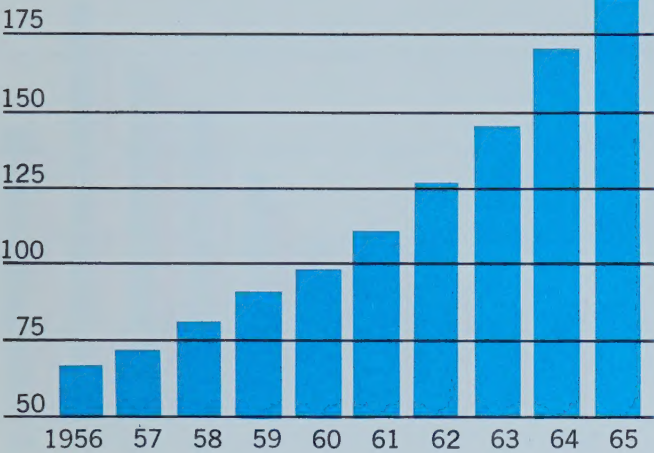
The year 1965 was one of continuation of the Company's growth and diversification. Despite new highs in both sales and operating investment, earnings for the year at \$1.57 a share were down 20% and return on the larger investment declined from 8.1% in 1964 to 5.4% in 1965.

Several factors contributed to the decline in profits. Both the strike at the Kingston nylon plant and the explosion at the North Bay explosives plant had significant effects on earnings. Further reductions in selling prices were necessary to combat increasing competition from low-priced imports. While this action is consistent with the Company's long-standing policy of lowering prices to broaden markets and achieve long term optimum return, the resulting benefits of greater volume can be expected only in the future. Construction expenditures reached a record high during the year and the expenses which are inevitable in the initial periods of operation of new capacity added substantially to costs.

While the year was one of unprecedented prosperity for Canada with consumer spending at an all time high, a number of disturbing factors of national concern existed. Canada's unfavourable current account balance of international payments deteriorated although the fundamental weakness was masked somewhat by heavy wheat exports to communist countries. It was a year of labour unrest, lost time due to disputes was more than double the previous year and the constant upward trend of labour costs became even more pronounced. Despite the high level of investment, the rate of economic growth is such that new productive capacity has not kept pace with market requirements. A major reason is the competition from low cost imports, particularly from low-wage countries, which has so reduced profit expectations that return to potential Canadian investors is often inadequate to justify the construction of new facilities.

Sales

(Millions of Dollars)



Sales

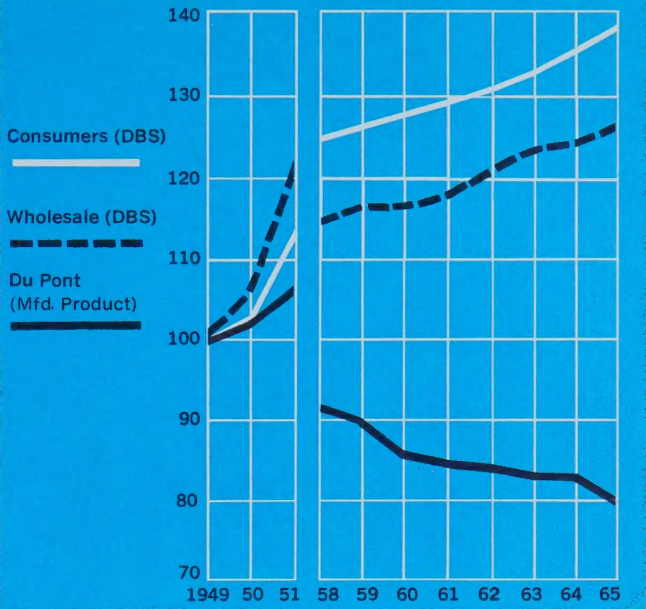
Total sales at \$188,452,000 were 10% above the record set in the previous year. The high level of consumer demand exerted a strong expansionist influence on the economy, and sales of all product groups showed further growth.

The new record in sales was achieved despite a number of adverse circumstances. Competition from low-priced imports continued to be severe and substantial price reductions were made to combat this threat to domestic production. The physical volume of shipments of manufactured products was higher than 1964 but the Company's selling prices for these products declined 3% from the 1964 level.

While there has been a continuation of the substantial growth in sales volume, lower selling prices and higher operating costs are having an even greater impact on results for shareholders. These factors are reviewed in the following paragraphs.

Selling Prices

(Index Base 1949 = 100)



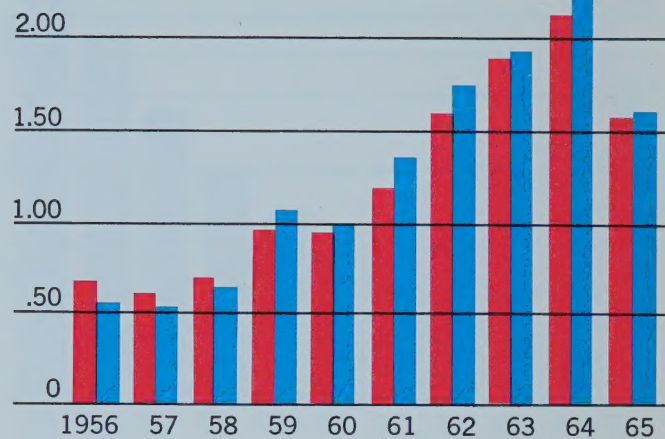
Selling Prices

The weighted average index of selling prices of the Company's manufactured products dropped from 82.3 to 79.9 during the year (1949 = 100) while in contrast the Canadian consumer and wholesale price indices rose from 135.4 and 123.8 to 138.7 and 126.2 respectively.



Earnings and Income Tax  
a Common Share  
\$ per Share

Earnings  
Income Tax



## Costs

While the Company was able to achieve cost reductions in some areas, nevertheless average costs per unit of many products increased appreciably in 1965.

Operations were adversely affected by the strike at Kingston and the explosion at North Bay. In order to ensure continuity of supply to customers it was temporarily necessary to purchase nylon yarns and explosives from other suppliers at values in excess of the Company's normal manufacturing costs.

The extensive plant expansion program necessitated the hiring and training of additional employees to operate the new facilities. In addition the Company continued its policy of charging high rates of depreciation during the early periods of operation when risk is greatest and the amount set aside for depreciation was \$2,583,000 greater than in 1964.

Costs were also affected by periods of disruption to normal operations during construction and by higher initial operating charges during start-up. To take advantage of the newest technology, it was necessary to introduce equipment of vastly greater productivity and complexity, but which requires extensive periods of operation and adjustment before achieving satisfactory results.

Wage and salary costs continued to rise reflecting higher rates and the larger number of employees.

Despite a general upward trend in wholesale prices during the year, raw material costs per unit of output remained proportionately the same as in the previous year.

## Financial Charges

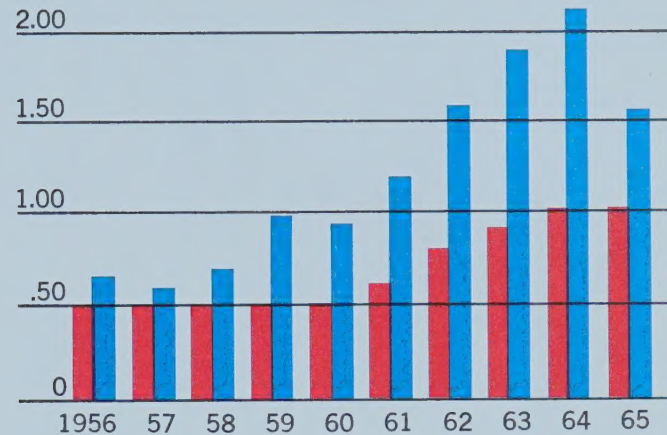
Interest on borrowed money increased by \$227,000 over the corresponding charge for 1964. The Company continued the policy of claiming for tax purposes the maximum provision for depreciation permitted, the amount claimed being substantially in excess of that charged to operating costs. The resulting amount of \$2,770,000 by which current tax payments were reduced was set aside from profits to provide for the future tax liability when the capital cost allowance for tax purposes may be less than charges to costs. The balance in the accumulated provision for future income taxes now amounts to \$14,108,000. Reflecting the lower level of income earned during the year, total taxes on income at \$12,837,000 were 25% lower than in the previous year.

Despite a reduction in personal income tax rates in 1965, corporate taxes remained unchanged while construction costs were increased by the full effect of the 11% Federal Sales Tax on construction materials. In a period when Canada's largest trading partner has reduced income and excise taxes, the competitive position of Canadian industry in world markets is being seriously weakened not only by high income tax levels but also by taxing the capital investment needed to provide the production and employment to ensure Canada's growth. Since 1958, taxes have taken a greater share of operating profits than is left for investors.



Earnings and Dividends  
a Common Share  
\$ per Share

■ Dividends  
■ Earnings



## Financing

During the past four years of the Company's current expansion program, the cash requirements for additions to plants and properties and for increased working capital have aggregated \$118,514,000, exceeding by \$49,923,000 cash generated from operations through retained earnings and provisions for depreciation and future taxes.

Annual cash deficiencies were met by short term borrowings through 1964, but it became apparent that the amounts needed to continue the program of expansion and diversification could best be obtained through a combination of new permanent capital, medium term loans and short term borrowings. Accordingly, early in 1965, the Company realized \$25,750,000 from the sale of 500,000 common shares in Canada. At 31st December, medium term loans amounted to \$10,000,000 and short term borrowings to \$8,100,000.

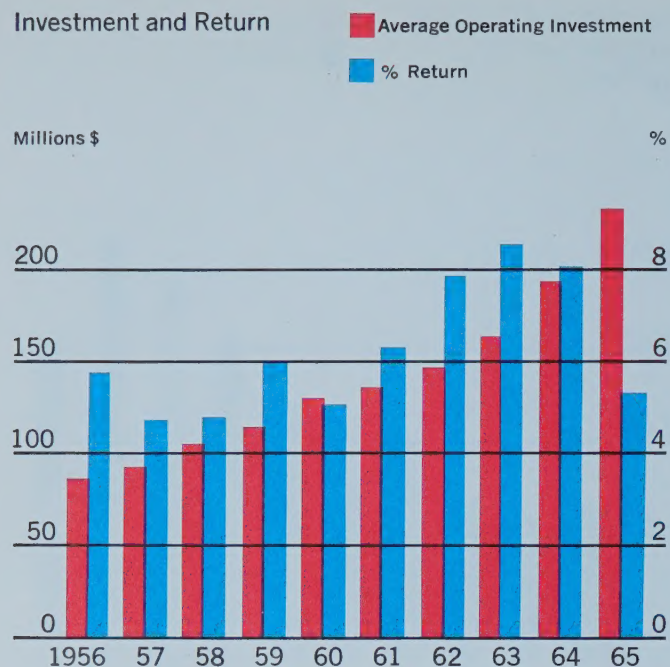
During 1963, legislation was introduced which offered certain taxation incentives to companies having the required "degree" of Canadian ownership and control. Although the Company has always had Canadian shareholders and has had strong Canadian representation on its Board of Directors, it did not qualify under the legislation for such taxation incentives. Following the sale of 500,000 common shares referred to above, E. I. du Pont de Nemours & Company's interest in the outstanding common shares of Du Pont of Canada Limited was reduced to 74.8% and the Company now qualifies as having the required "degree" of Canadian ownership and control.

## Earnings and Dividends

Net income in 1965 amounted to \$12,538,000, down \$3,111,000 from the previous year. Earnings a common share were \$1.57 as against an equivalent amount of \$1.96 in 1964 on the number of shares now issued.

Regular dividends were paid on the 7½% preferred stock and four quarterly distributions of 25 cents a share were made on the common stock in respect of 1965 earnings, the dividend for the fourth quarter being paid in January 1966. The total dividend of \$1.00 a common share remained unchanged from a year ago.

## Investment and Return



## Investment and Return

Primarily as a result of the large plant expansion program, the Company's operating investment rose to \$258,394,000 at the year end as compared with \$213,904,000 at the end of 1964. The increase also reflected larger inventories and, in line with increased volume, greater amounts owing from customers.

During periods of new construction, some time must elapse until new units are in profitable operation. This factor, together with generally lower profit margins obtained during the year, accounts for the reduction to 5.4% in return on average operating investment.





## Auditors' Report to the Shareholders

Du Pont of Canada Limited,  
Montreal, Quebec.

We have examined the consolidated balance sheet of Du Pont of Canada Limited and its wholly owned subsidiaries as at 31st December 1965 and the statements of consolidated income, earned surplus and source and use of funds for the year ended on that date. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the accompanying consolidated balance sheet and the statements of consolidated income, earned surplus and source and use of funds present fairly the financial position of the company and its wholly owned subsidiaries as at 31st December 1965, the results of their operations and the source and use of funds for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

*Leuchs, Ross, Bailey + Smart*

Montreal, Quebec.  
18th February 1966.

Chartered Accountants.



## Statement of Consolidated Source and Use of Funds

(Expressed in thousands of dollars)

| For the five years ended 31st December 1965                              | Total for<br>Period | 1965            | 1964            | 1963             | 1962            | 1961           |
|--|---------------------|-----------------|-----------------|------------------|-----------------|----------------|
| CASH AND MARKETABLE SECURITIES<br>AT 1st JANUARY                         | \$ 618              | \$ 869          | \$ 541          | \$ 5,887         | \$ 2,776        | \$ 618         |
| SOURCE OF FUNDS:   |                     |                 |                 |                  |                 |                |
| Net income   | \$ 62,891           | \$12,538        | \$15,649        | \$14,028         | \$11,809        | \$8,867        |
| Depreciation   | 40,266              | 10,922          | 8,339           | 7,373            | 6,704           | 6,928          |
| Deferred income taxes  | 8,588               | 2,770           | 2,555           | 2,433            | 800             | 30             |
| Issue of common shares to employees<br>and trustee                       | 4,074               | 2,153           | 658             | 539              | 413             | 311            |
| Issue of common shares to the public                                     | 25,750              | 25,750          | —               | —                | —               | —              |
| Short and long term borrowings   | 10,100              | 5,400           | 12,700          | —                | —               | (8,000)        |
| Disposal of fixed assets   | 1,110               | 838             | 28              | 49               | 89              | 106            |
|  | <u>\$152,779</u>    | <u>\$60,371</u> | <u>\$39,929</u> | <u>\$24,422</u>  | <u>\$19,815</u> | <u>\$8,242</u> |
| USE OF FUNDS:  |                     |                 |                 |                  |                 |                |
| Appropriated for dividends   | \$ 32,871           | \$ 8,060        | \$ 7,509        | \$ 6,756         | \$ 6,008        | \$4,538        |
| Expended on plants and properties  | 104,506             | 39,650          | 28,877          | 21,095           | 11,299          | 3,585          |
| Other  | (352)               | 1,352           | (300)           | (372)            | (550)           | (482)          |
| Increase in working capital other than<br>cash and marketable securities | 15,906              | 11,712          | 3,515           | 2,289            | (53)            | (1,557)        |
|  | <u>\$152,931</u>    | <u>\$60,774</u> | <u>\$39,601</u> | <u>\$29,768</u>  | <u>\$16,704</u> | <u>\$6,084</u> |
| Increase or (decrease) in cash and<br>marketable securities              | <u>(\$152)</u>      | <u>(\$403)</u>  | <u>\$ 328</u>   | <u>(\$5,346)</u> | <u>\$ 3,111</u> | <u>\$2,158</u> |
| CASH AND MARKETABLE SECURITIES<br>AT 31st DECEMBER                       | \$ 466              | \$ 466          | \$ 869          | \$ 541           | \$ 5,887        | \$2,776        |

## Statement of Consolidated Income

|  | 1965                 | 1964                 |
|--|----------------------|----------------------|
| NET SALES  | \$188,452,253        | \$171,883,004        |
| Other income   | 167,649              | 165,262              |
|  | <u>\$188,619,902</u> | <u>\$172,048,266</u> |
| Less:  |                      |                      |
| Cost of goods sold and other charges except depreciation, interest and income taxes (Note 1) | \$151,812,326        | \$130,691,639        |
| Provision for depreciation   | 10,922,170           | 8,338,632            |
| Interest on borrowed money:  |                      |                      |
| Current obligations  | 360,009              | 283,343              |
| Notes payable beyond one year  | 150,786              | —                    |
| Federal and provincial taxes on current income:  |                      |                      |
| Payable currently  | 10,066,893           | 14,530,344           |
| Estimated to be payable in future years (Note 2)   | 2,770,000            | 2,555,000            |
|  | <u>\$176,082,184</u> | <u>\$156,398,958</u> |
| NET INCOME FOR THE YEAR  | <u>\$ 12,537,718</u> | <u>\$ 15,649,308</u> |

## Statement of Consolidated Earned Surplus

|                                | 1965                 | 1964                 |
|--------------------------------|----------------------|----------------------|
| BALANCE AT 1st JANUARY         | \$ 71,764,985        | \$ 63,625,052        |
| Add: Net income for the year   | 12,537,718           | 15,649,308           |
|                                | <u>\$ 84,302,703</u> | <u>\$ 79,274,360</u> |
| Deduct: Dividends declared on— |                      |                      |
| Preferred 7½% cumulative stock | \$ 174,375           | \$ 174,375           |
| Common stock (\$1.00 a share)  | 7,886,298            | 7,335,000            |
|                                | <u>\$ 8,060,673</u>  | <u>\$ 7,509,375</u>  |
| BALANCE AT 31st DECEMBER       | <u>\$ 76,242,030</u> | <u>\$ 71,764,985</u> |



# Consolidated Balance Sheet

|  | 31st December        |                      |
|--|----------------------|----------------------|
|  | 1965                 | 1964                 |
| <b>Assets</b>                                      |                      |                      |
| <b>CURRENT ASSETS</b>                              |                      |                      |
| Cash   | \$ 466,346           | \$ 868,642           |
| Accounts receivable                                | 21,607,954           | 20,964,196           |
| Inventories, valued at the lower of cost or market | 21,516,041           | 17,285,827           |
| Prepaid expenses                                   | 1,893,135            | 1,283,848            |
|  | <u>\$ 45,483,476</u> | <u>\$ 40,402,513</u> |
| <br><b>INVESTMENT SECURITIES AT COST</b>           | <br>\$ 544,773       | <br>\$ 685,562       |
| <br><b>PLANTS AND PROPERTIES AT COST</b>           | <br>209,820,015      | <br>172,218,292      |
| LESS: ACCUMULATED DEPRECIATION                     | 87,491,912           | 77,778,516           |
|  | <u>\$122,328,103</u> | <u>\$ 94,439,776</u> |
| <br><b>GOODWILL, PATENTS AND PROCESSES AT COST</b> | <br>\$ 2,265,835     | <br>\$ 2,265,835     |
|  | <u>\$170,622,187</u> | <u>\$137,793,686</u> |
| Signed on behalf of the Board:                     |                      |                      |
| G. W. Huggett                                      | } Directors          |                      |
| Hugh H. Lawson                                     |                      |                      |

## Liabilities

|   | 31st December        |                      |
|---|----------------------|----------------------|
|   | 1965                 | 1964                 |
| CURRENT LIABILITIES   |                      |                      |
| Bank indebtedness   | \$ 3,350,000         | \$ 4,200,000         |
| Notes payable   | 4,750,000            | 8,500,000            |
| Accounts payable and accrued liabilities                        | 10,303,559           | 11,292,675           |
| Amounts payable to E. I. du Pont de Nemours & Company           | 2,498,214            | 2,862,230            |
| Federal, provincial and municipal taxes                         | 3,405,268            | 7,318,509            |
| Dividends declared  | 2,015,169            | 2,977,594            |
|   | <u>\$ 26,322,210</u> | <u>\$ 37,151,008</u> |
| NOTES PAYABLE BEYOND ONE YEAR                                   | \$ 10,000,000        | —                    |
| PROVISION FOR BONUS AWARDS TO EMPLOYEES PAYABLE OVER FOUR YEARS | \$ 3,605,418         | \$ 3,086,277         |
| LESS: ADVANCES TO TRUSTEE (Note 3)                              | 2,011,815            | —                    |
|   | <u>\$ 1,593,603</u>  | <u>\$ 3,086,277</u>  |
| ACCUMULATED PROVISION FOR FUTURE INCOME TAXES                   | \$ 14,108,000        | \$ 11,338,000        |
| CAPITAL STOCK:  |                      |                      |
| Authorized  | Shares               |                      |
| Preferred 7½% cumulative stock (par value \$50)                 | <u>46,500</u>        |                      |
| Common stock (no par value)                                     | <u>13,500,000</u>    |                      |
| Issued and fully paid   |                      |                      |
| Preferred   | 46,500               | \$ 2,325,000         |
| Common (Note 5)   | 7,886,298            | 40,031,344           |
| EARNED SURPLUS  | <u>76,242,030</u>    | <u>86,218,401</u>    |
|   | <u>\$170,622,187</u> | <u>\$137,793,686</u> |



## Notes to Consolidated Financial Statements

1. Included in the charges against income is the total remuneration of directors, including those who are officers, of \$491,232 in 1965 and \$667,700 in 1964.
2. Capital cost allowances in excess of the provision for depreciation charged against income in the accounts have been claimed for tax purposes. The amount by which tax payments have thereby been reduced has been set aside as a provision for taxes which may be payable in future years.
3. In accordance with the Company policy to acquire common shares for sale to employees under terms of the Bonus Plan, the Company has entered into an agreement with a Trustee under which funds are provided for this purpose.
4. As at 31st December 1965, there were outstanding scrip-units issued under the Bonus Plan to employees entitling them to purchase common shares of Du Pont of Canada Limited as follows:
5. Common Shares
6. Accounts receivable and accounts payable in foreign currency have been converted at the rates of exchange prevailing at 31st December 1965.
7. At 31st December 1965, there remained \$15,249,000 to be expended on authorized appropriations for plant construction.

|  | Shares           | Value               |
|--|------------------|---------------------|
| Outstanding at beginning of year                 | 7,335,000        | \$12,128,416        |
| Issued to the public                             | 500,000          | 25,750,000          |
| Issued to employees under the Bonus Plan         | 21,132           | 802,395             |
| Issued to a Trustee in respect of the Bonus Plan | 30,166           | 1,350,533           |
| Outstanding at end of year                       | <u>7,886,298</u> | <u>\$40,031,344</u> |

| Date             | Total scrip-units outstanding | Scrip-units issued to officers including those who are directors | Purchase price per share |
|------------------|-------------------------------|--|--------------------------|
| 3rd January 1966 | 5187                          | 1526   | \$36.25                  |
| 3rd January 1966 | 5462                          | 1498   | 40.80                    |
| 3rd January 1966 | 4685                          | 1246   | 51.00                    |
| 3rd January 1967 | 5462                          | 1498   | 40.80                    |
| 3rd January 1967 | 4685                          | 1246   | 51.00                    |
| 2nd January 1968 | 4685                          | 1246   | 51.00                    |

# Operating and Financial Record

## A Ten-Year Comparison

| OPERATING RESULTS  | 1965    | 1964    | 1963    |
|--|---------|---------|---------|
| Sales and other income   | 188,620 | 172,048 | 146,162 |
| Costs and expenses<br>(excluding depreciation, interest and taxes)         | 151,812 | 130,692 | 110,366 |
| Depreciation   | 10,922  | 8,339   | 7,373   |
| Interest on borrowed money   | 511     | 283     | —       |
| Taxes on income  | 12,837  | 17,085  | 14,395  |
| Net income   | 12,538  | 15,649  | 14,028  |
| Earnings a common share*   | \$1.57  | \$2.11  | \$1.89  |
| Dividends a common share   | \$1.00  | \$1.00  | \$0.90  |
| OPERATING INVESTMENT   |         |         |         |
| Average operating investment**   | 233,500 | 194,000 | 165,000 |
| Return on average operating investment                                     | 5.4%    | 8.1%    | 8.5%    |
| FINANCIAL POSITION   |         |         |         |
| Total current assets   | 45,483  | 40,403  | 31,624  |
| Total current liabilities  | 26,322  | 37,151  | 19,515  |
| Net working capital  | 19,161  | 3,252   | 12,109  |
| Plants and properties  | 209,820 | 172,218 | 145,030 |
| Other assets less other liabilities  | (8,783) | (135)   | (412)   |
|  | 220,198 | 175,335 | 156,727 |
| Deduct: Accumulated provisions for future income taxes<br>and depreciation | 101,600 | 89,117  | 79,307  |
| Shareholders' equity   | 118,598 | 86,218  | 77,420  |

\*Based on number of shares outstanding at the end of each year.

\*\*Operating investment comprises total assets before deducting depreciation as shown in the Company's annual statements exclusive of goodwill, patents and processes; the average is based on the investment at the beginning of each calendar month.



(Approximate amounts in thousands of dollars except where otherwise noted)

| 1962           | 1961           | 1960           | 1959           | 1958          | 1957          | 1956          |
|----------------|----------------|----------------|----------------|---------------|---------------|---------------|
| <u>126,784</u> | <u>112,279</u> | <u>99,906</u>  | <u>90,992</u>  | <u>81,753</u> | <u>72,740</u> | <u>67,060</u> |
| 95,246         | 86,048         | 78,930         | 69,562         | 65,916        | 59,876        | 53,577        |
| 6,704          | 6,928          | 6,325          | 5,917          | 5,358         | 4,324         | 4,298         |
| —              | 204            | 449            | 416            | 394           | 55            | —             |
| <u>13,025</u>  | <u>10,232</u>  | <u>7,367</u>   | <u>7,928</u>   | <u>4,850</u>  | <u>3,994</u>  | <u>4,216</u>  |
| <u>11,809</u>  | <u>8,867</u>   | <u>6,835</u>   | <u>7,169</u>   | <u>5,235</u>  | <u>4,491</u>  | <u>4,969</u>  |
| \$1.60         | \$1.20         | \$0.92         | \$0.97         | \$0.70        | \$0.60        | \$0.67        |
| \$0.80         | \$0.60         | \$0.50         | \$0.50         | \$0.50        | \$0.50        | \$0.50        |
| 149,900        | 138,900        | 131,400        | 118,900        | 106,700       | 93,200        | 86,200        |
| 7.9%           | 6.4%           | 5.2%           | 6.0%           | 4.9%          | 4.8%          | 5.8%          |
| 34,330         | 27,269         | 22,046         | 19,223         | 17,402        | 16,334        | 18,354        |
| <u>19,165</u>  | <u>15,161</u>  | <u>18,539</u>  | <u>19,151</u>  | <u>18,108</u> | <u>13,904</u> | <u>7,920</u>  |
| 15,165         | 12,108         | 3,507          | 72             | (706)         | 2,430         | 10,434        |
| 124,988        | 114,561        | 111,723        | 105,777        | 96,000        | 85,536        | 71,375        |
| (38)           | 511            | 992            | 648            | 1,014         | 965           | 811           |
| <u>140,115</u> | <u>127,180</u> | <u>116,222</u> | <u>106,497</u> | <u>96,308</u> | <u>88,931</u> | <u>82,620</u> |
| <u>70,505</u>  | <u>63,783</u>  | <u>57,465</u>  | <u>51,058</u>  | <u>44,533</u> | <u>38,890</u> | <u>33,587</u> |
| <u>69,610</u>  | <u>63,397</u>  | <u>58,757</u>  | <u>55,439</u>  | <u>51,775</u> | <u>50,041</u> | <u>49,033</u> |

# Du Pont products serving home and industry

- 1 "Teflon" TFE non-stick finish is being increasingly used on cookware and bakeware to eliminate the tedious and time-consuming task of scouring.
- 2 Transparent films, of which "Cellophane" cellulose film was the first, have inspired a packaging revolution and today are used more than ever to protect a wide range of foods and meats.
- 3 Carpeting is one of the latest end uses developed for "Orlon" acrylic fibre, long noted for its softness, warmth and pleasant touch. As a carpeting material, it also is rich in appearance, and resistant to sunlight, soot and smoke.
- 4 First of the truly man-made fibres, nylon has long since expanded on its original role as a hosiery yarn. Today, while still dominant in the apparel field, it also has a myriad of other uses such as in this upholstery fabric.

- 5 Style has become as essential in sportswear as the wear qualities, warmth and wind-resistance of the fabric. Today's top designers and manufacturers turn to Du Pont nylon and to "Orlon" acrylic fibre for their creations in both ski and après-ski apparel.
- 6 Canada's construction and mining industries in particular have found explosives one of their most useful tools but the product contributes as well to other vital areas of progress. Here, for example, a trench is blasted for an overseas communications cable.
- 7 The aesthetic value of a new coat of paint is undeniable — but application can be a messy job. With "Lucite" acrylic wall paint, however, messiness is non-existent because it will not drip or run off brush or roller.
- 8 "Freon" fluorocarbons could be called the "unseen workman". In Montreal's Place Victoria, home of the Montreal and Canadian Stock Exchanges,





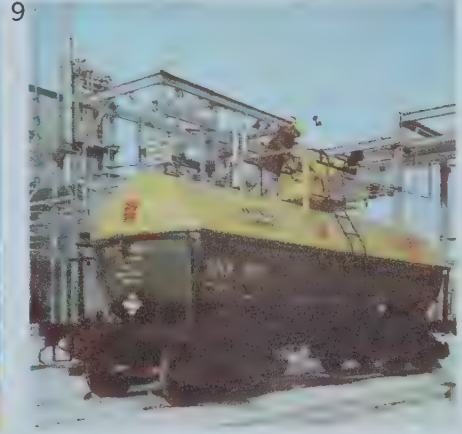
"Freon" is the invisible refrigerant used in the skyscraper's air-conditioning system.

9 Latest of the Company's manufactured products, the tetraethyl lead compound in this tank car at Maitland Works is destined for an oil refinery where it will be introduced into gasoline as an anti-knock ingredient.

10 Connection of this six-inch pipe, made from "Sclair" resins, to a sewage pumping station at Chateauguay, Que., marked one of the first uses in Canada of polyethylene pipe in a pressure sewer system.

11 Elastomers such as neoprene and "Hypalon" synthetic rubber have won wide acceptance in the building trades. The neoprene roof base shown on this new church will be covered with green "Hypalon".

6



# Operations Review

## Textile Fibres Department

Sales were at a higher level despite aggressive competition from foreign manufacturers. Markets for nylon as a textile fibre showed further growth with particular strength in sports, leisure and children's wear applications. Further significant gains were made in the use of nylon in automotive replacement tires and in bus and truck tires. In addition, sales of nylon yarn continued to grow in such markets as automotive and household upholstery, paper machine felts, mechanical rubber goods and automobile seat belts.

Reflecting widening consumer acceptance of "501" certified carpets, sales of bulked continuous filament nylon carpet yarn increased substantially.

Demand for "Orlon" acrylic fibre, particularly for sweaters and pile fabrics, showed major growth during the year. A large expansion of production facilities is in progress.

"Lycra" spandex fibre has become a dominant factor in the foundation garment industry and it is now established in high styled garments in combination with Du Pont nylon. The increasing use of "Lycra" in stretch apparel indicates a significant long-term potential market for this product.

Yarn manufacturing facilities were enlarged for all major nylon products. New equipment, incorporating the latest technology, in addition to providing increased capacity to serve expanding markets, will enable the Company to maintain its leadership position through improvement in quality, diversification of products and reduction in manufacturing costs.

## Chemicals Department

In the fourth quarter of the year, the Company commenced the manufacture of tetraethyl lead and tetramethyl lead (the anti-knock ingredients in modern gasolines).

Sales of "Freon" fluorinated hydrocarbons showed further improvement. Since the Company commenced manufacture of these products in 1955, the demand for refrigerants and the growth in aerosol propellents in spray can packaging have been dramatic. Throughout the past ten years when it was the sole Canadian producer, the Company stimulated demand by broadening the types of product at competitive prices, by maintaining technical leadership and by expanding capacity.

## Films Department

Demand for "Cellophane" cellulose film continued strong in 1965, with continued growth in the use of the newer polymer coated films. Additional facilities are being installed to meet the increased demand for these premium films.

The growth of the polyolefin film business continues in all major market areas, and a further expansion of the Whitby Works was authorized for completion in early 1966. This is the third expansion since the plant went into operation in 1959.

## Plastics Department

Shipments of "Sclair" polyethylene resins increased significantly during 1965 although selling prices were lower than in the previous year. Manufacturing facilities operated at higher levels due to the growth of existing markets and new markets developed during the year. Consumer acceptance of polyethylene products continues to grow and market development is encouraging.

## Finishes Department

Sales of household paints and refinish and industrial products showed further growth during the year.

A feature of 1965 was the introduction of "Lucite" acrylic exterior and interior wall paints to the national consumer market. In addition, the "Dulux" line of paints became an increasingly familiar household name. Wide colour selection continues to be provided through the nationally distributed "Flo-Glaze" "Colorizer" line.

An important factor in sales of automotive finishes is the growing use of "Lucite" lacquers.

## Explosives Department

The market for explosives continued its growth during the year, stimulated by a high level of activity in the construction industry and the development of several major ore bodies into mining complexes.

The unfortunate explosion at the Nipissing Works during the third quarter temporarily curtailed production of some products and it was necessary to purchase material in order to keep customers supplied.

## Exports

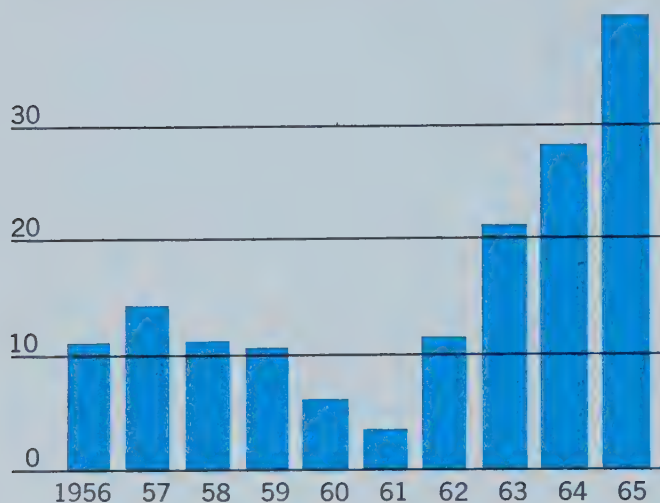
Export sales slightly exceeded the record level achieved in 1964. Foreign business in 1965 embraced wider diversification of markets for manufactured products which reached over fifty foreign countries during the year. Increased penetration was achieved in the principal markets for cellulose film, and nylon polymer was shipped abroad to the extent of current available capacity. Significant increases in exports were achieved in plastics and miscellaneous chemicals.

Export sales comprise an important segment of the Company's business and contribute significantly to earnings. Canadian chemical products are frequently at a disadvantage in foreign markets because of high Canadian wage rates and investment costs and in some cases because of the effect of foreign tariffs. Exports are of great importance, however, in view of the relatively small size of the Canadian domestic market and the need to achieve the benefits of large scale operations.



## Expenditures on Construction

(Millions of Dollars)



## Expansion and Diversification

Capital expenditures of \$39,650,000 were by far the largest for any single year. Expansion and modernization of the nylon fibre plant at Kingston and the nylon intermediates plant at Maitland again required substantial expenditures. Construction of the tetraethyl lead plant at Maitland and the expansion of the finishes plant at Ajax were completed and both began operations during the fourth quarter. The capacity of the "Orlon" acrylic fibre plant at Maitland is being substantially increased.

The Economic Council of Canada has depicted a bright future for the long-term economic growth of Canada. To enable the Company to participate to the fullest extent, further substantial capital expenditures will undoubtedly be required over the next several years. An amount of \$15,249,000 remained unexpended on approved projects at the end of the year.

A plant for the production of tetraethyl lead and other anti-knock compounds used as gasoline additives began operation late in 1965. It is the sixth plant at the Maitland, Ontario site.



## Research and Development

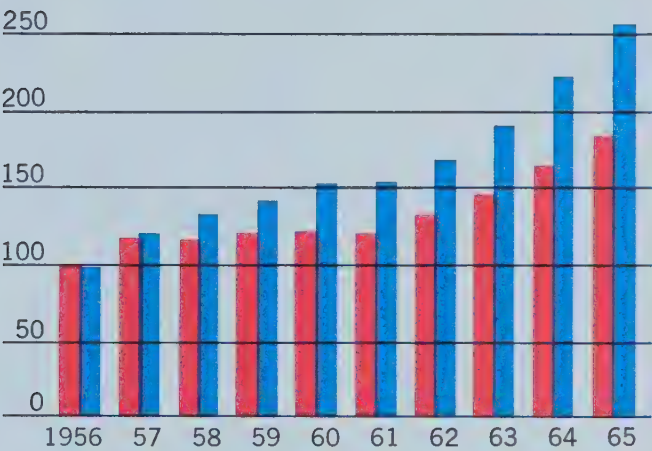
The Company continues to be among the leaders in Canadian industry in the field of research and development. At the Research Centre in Kingston and at plant locations, improved processes and products particularly adapted to Canadian conditions are being invented and developed. In addition to its significant effort in the search for novel processes and products, the Company also has ready access to the research and technical knowledge of E. I. du Pont de Nemours & Company.

As the Economic Council of Canada has stated repeatedly, the nation's long-term growth depends to a large extent upon the development of high productivity secondary industry. The Company's research activities are directed primarily to the improvement of profits through more efficient manufacture in Canada of present products and to the introduction of new products which can in turn lead to the establishment of new industries.

# Employees

Employees and  
Remuneration  
(Index Base 1956 = 100)

■ Number of Employees  
■ Remuneration and Benefits



The greatest single factor in the Company's success is its people and the Board wishes to express its appreciation of their contribution during the past year. The number of employees increased by 10% in 1965 to 6,592 reflecting both the capital expansion program and the increased volume of business.

It is with deep regret that the Company records the death of two employees in the explosion at Nipissing Works in September.

Partly as a result of this occurrence, the number of major work injuries per million man hours of exposure increased from the record low of 0.68 in 1964 to 1.18 in 1965. Nevertheless, the Company's accident frequency rate continues to be well below the industrial frequency rate of 6.4 and the latest chemical industry rate of 3.13. Prime emphasis continues to be placed on effective accident prevention and safety both on and off the job.

As part of the continuing adjustment of employee benefit plans, the vacation plan was amended during the year to provide for longer vacations depending upon length of service. In addition, it is now possible for employees with long service who are unable to take the full vacation in a year to carry forward portions of their vacations from one year to the next. The Company contribution for health insurance was increased and extended to pensioners.

The Pension Plan was amended in order to coordinate it with the Canada Pension Plan and the Quebec Pension Plan. At the end of the year \$21,754,000 was held by an

outside trustee for payment of pensions under the Company's non-contributory plan. In addition, a contributory supplementary plan is available in which employees may also participate.

## Bonus Plan

The Bonus Plan enables the Company to reward those employees who, through their outstanding efficiency and initiative, have made important contributions toward the Company's success. Each year, the Board of Directors may credit to the Bonus Fund a portion of net income above 6% earned on the average amount of the issued capital stock, surplus and interest-bearing indebtedness. A committee of Directors, chosen from among those members of the Board who are not eligible to participate under the Plan, determines the individual awards which are delivered in four equal annual installments.

For the year 1965, bonus awards were made to 218 employees including those officers who are also Directors. As experience has shown that stock ownership encourages maximum interest in the Company's progress, the amounts delivered were again in the form of common shares of the Company, after withholding sufficient cash to meet income tax deductions. In 1965, the Board established a policy of purchasing shares in the market to meet future bonus plan requirements rather than issuing new shares as in previous years.

## Management

At the meeting of the Board of Directors following the Annual Meeting in April, 1965, Herbert H. Lank resigned as President of the Company and was appointed Chairman of the Board. Robert G. Beck was elected President.

In accepting Mr. Lank's resignation, the Board of Directors paid tribute to the outstanding contribution which he had made to the success of the Company, and the unprecedented expansion and diversification which the Company has undergone during his tenure as president bear witness not only to the value of his efforts but also to his outstanding qualities of foresight and leadership.

## Outlook

The growth in Canada's population, together with its changing age structure and rising living standards will be a tremendous stimulus to domestic demand during the remainder of the decade. This means that an inadequate demand will no longer, as in the past, be as major an impediment to the rapid growth of business activity. The challenge of the future will be rather in keeping Canadian costs at a competitive level and in providing the facilities required to meet the demands of a rapidly growing market.

It is anticipated that Canada's Gross National Product will double during the next twelve to fifteen years. This implies a growth rate of 6% per year, and compares with 4% achieved since World War II.

This acceleration in the growth of the economy will severely strain Canada's capital and trained manpower resources. The upward pressure on prices will be stronger than in the recent past and the external value of the Canadian dollar will in all probability be under periodic pressure.

The only positive long-term means of combating inflation at home while at the same time reducing demand for imports is to increase capacity and productivity. The Company's very heavy capital expenditures to modernize, increase capacity and manufacture new products is indicative of its faith in Canada's future.



Chairman of the Board



President

28th March 1966, Montreal, Canada



Address inquiries to:  
The Secretary,  
Du Pont of Canada Limited,  
P. O. Box 660,  
Montreal 3, Quebec



P.O. Box 660  
Montreal 3, Quebec

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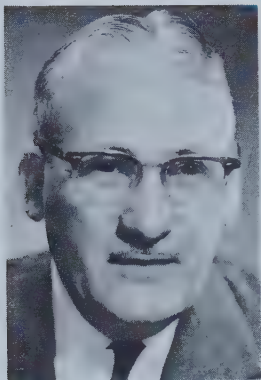
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## FOREWORD



*What is Du Pont of Canada? What does it do? Where does it operate? What is its record of growth? These are but a few of the many enquiries which come to us.*

*In response, we offer this booklet, containing information which we hope you will find both interesting and useful.*

*In the fast-moving chemical industry, of which we are a part, changes occur continuously and rapidly. These changes spring mainly from research and technological advance. For example, many Du Pont of Canada products were unknown to most of us just a decade ago. Others, such as nylon, have a longer history but as a result of ever-changing technology have improved in quality and multiplied many times the number and variety of their uses. Today, each of our major product groupings is really a family of products, each one tailored to our customers' specific needs.*

*Change, no matter what its form, must be directed to fill the needs of people - like you - who want new and better products at reasonable prices, backed by responsible service.*

*This driving purpose lies behind the pages that follow.*

*Robert J. Bunt*

President

## YESTERDAY

FOR MORE THAN A CENTURY Du Pont of Canada and its predecessor companies have been a part of the Canadian chemical industry.

This association began in 1852 when the Canada Powder Company was formed. Ten years later this concern sold its assets to the Hamilton Powder Company which, in turn, was purchased in 1877 by a group including Lammot du Pont. In 1910, the Canadian explosives business of E.I. du Pont de Nemours & Company and that of Nobel's Explosives Company of Great Britain were united with Hamilton Powder to form Canadian Explosives Limited.

Although the manufacture of explosives had been the sole concern of its predecessors, Canadian Explosives decided after World War I to develop a diversified group of products based on chemistry. As these activities spread into new fields, the company name was changed in 1927. When the business of the company was divided between two separate companies in 1954, one became Du Pont of Canada.

Like its ancestors, Du Pont of Canada produces commercial explosives but they are only one group of a wide range of products. From explosives to plastics, from packaging films to textile fibres, each product makes its contribution to better living.

## TODAY

The Company's industrial departments manufacture and market these product groups: nylon, "Orlon" acrylic fibre and "Lycra" spandex fibre; "Cellophane" cellulose film, "Sclairfilm" polyolefin film and "Vexar" plastic netting; commercial explosives; "Sclair" polyolefin plastic resins; "Lucite" consumer paints, "Dulux" automotive and industrial paints and finishes and "Teflon" tetrafluoroethylene coatings; "Albone" hydrogen peroxide, "Freon" fluorocarbons (used as refrigerants and aerosol

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propellants and solvents), fuel additives and commercial acids.

These products, as well as other chemicals and products of chemical origin handled for resale, are distributed to some 4,500 customers, including hundreds of processors and manufacturers throughout Canada and abroad. They find application in all important economic categories: food, clothing, housing, health, communications, recreation and transportation. Most of these products reach the ultimate consumer in altered form; some are consumed in the manufacturing processes of a customer, others are converted to a form which the final consumer can use. Only a small portion (for example: "Lucite" and "Dulux" consumer paints) reaches the individual buyer as packaged by Du Pont of Canada. A list of products and industries they serve will be found at the back of this booklet.

In 1965 domestic sales and exports totalled more than \$188,000,000, an increase of 10 per cent over the previous year and an increase of 188 per cent over the sales of 1955. The Company's operating investment has increased about \$184,000,000 since 1954 and now stands at \$258,000,000. During the period 1955-1965 the Company acquired six new plant sites, added 13 plants and a Research Centre, and enlarged laboratory facilities for technical and sales service. During the same period the number of employees increased from 2,800 to 6,592.

### **From Coast To Coast**

Manufacturing operations are carried out at Saint John, N.B., Shawinigan, Que., and Maitland, Kingston, Whitby, Ajax, Sarnia and North Bay, Ont., and New Westminster, B.C. Sales offices are located in many cities across Canada. Technical and sales service laboratories are in Montreal, Maitland and Kingston.

Specialized services for the seven industrial departments and for the Company as a whole are provided by 12 auxiliary departments. These units, concentrated at the head office in Montreal, are: Accounting and Finance, Advertising, Data Processing, Economist's Office, Employee Relations, Engineering, General Services, Organization Planning,



Public Relations, Purchasing and Traffic, Research and Development, and Secretarial and Legal.

While E.I. du Pont de Nemours & Company of the United States is the major shareholder, more than 25 per cent of Du Pont of Canada's shares are publicly held. Du Pont of Canada operates as a Canadian organization with Canadian policies and procedures.

## **POLICIES AND PRACTICES**

### **PEOPLE - WORKING TOGETHER**



As in any thriving organization, Du Pont of Canada's most valuable asset is the employees in its plants, offices, laboratories and sales territories. The Company recognizes the importance of employing the most

capable men and women, able to think independently and work together.

To develop and maintain an effective organization requires the provision of fair wages and salaries, personal recognition, good working conditions, a comprehensive range of benefit plans, and opportunities for training and advancement in keeping with the individual's ability and performance. On these considerations are based the Company's day-to-day practices.

### **SERVING THE CUSTOMER**

Since most of Du Pont of Canada's customers are other manufacturers, converters, processors and fabricators, the Company's sales force includes representatives with extensive technical training to

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aid these customers and help them serve their customers. It also operates six technical laboratories to help customers with any problems involving the use of Company products.

## **SELLING PRICES**

Du Pont of Canada's objective is to develop and make quality products and sell them at prices designed to broaden markets and produce a reasonable return on the Company's capital investment. In keeping with this policy, the selling price index of Du Pont of Canada's manufactured products for 1965 was 3.0 per cent below the comparable figure for 1964. During the same period, the Canadian consumer and wholesale price indices rose by 2.4 per cent and 1.9 per cent respectively.

## **SELLING AROUND THE WORLD**

Du Pont of Canada exports to some 50 countries, principally Australia, New Zealand, the United Kingdom, the United States, the Caribbean and South America. Chief exports are nylon yarn and polymer, cellulose film and chemicals. Export sales average about 15 per cent of the Company's total revenue from sales of its manufactured products. Export opportunities fluctuate: sales abroad are stimulated by the rapid expansion of the world's industry and, at the same time, adversely affected by increased competition by many nations grown more self-sufficient in chemicals production.

## **BUYING IN CANADA**

The Company endeavours to buy materials and services to the best long-term advantage of the Company and its suppliers, and ultimately to the advantage of customers. "Buy Canadian" is the basic philosophy. This is applied equally by the individual plants which encourage local suppliers.

Soon, it is expected, Canada will be self-sufficient in all materials for manufacture of the Company's major products.

## **WORKING SAFELY**

A broad program of safety training and education and a safety achievement award system encourage

all employees to strive toward the total prevention of accidents both on and off the job. Because of this safety awareness, records achieved for the Company as a whole and by individual plants are among the best in Canadian industry.

## **RESEARCH AND DEVELOPMENT**



The Company's continued growth in a highly competitive and expanding economy requires an intensive search for new and better products - and the willingness to take the risks involved. An indicator of this activity is that 1965 construction expenditures\* reached a new record high of \$39,650,000 and at year-end a further \$15,249,000 remained unspent on projects underway.

Each of the plants does considerable work on quality control, on product and process improvement. This effort is complemented by the Research and Development Department through the Research Centre at Kingston, Ont., and the Development Division at Montreal.

The Research Centre, adjacent to the nylon plant, was established in 1955 and has since been enlarged three times. Staffed by 130 men and women - including scientists and technicians - it is equipped with the latest tools of research, an extensive library, individual laboratories and pilot plant and semi-works facilities. Work there is based on long-range commercial objectives pertaining to

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present manufacturing operations and future diversification. A major source of new technology and new products is E.I. du Pont de Nemours & Company. In modifying this technology to meet Canadian requirements, the Company's research activity has been of marked value.

The Development Division comprises a group of skilled, business-oriented chemists, engineers and economists whose prime function is to discover new venture opportunities and plan their commercialization. The programs undertaken include commercial, economic and technical studies of markets, processes, raw material supplies, manufacturing costs, plant size and location, and other factors.

## OUR PLANTS



### SHAWINIGAN WORKS

Shawinigan Works began manufacturing "Cellophane" cellulose film in 1932. Since then the plant has been expanded 10 times, continually applying the latest technological advances. The basic raw material is Canadian wood pulp.

"Cellophane" has contributed to the evolution of self-service shopping and other modern merchandising techniques. Today, this transparent film is made in about 50 varieties, each with special characteristics designed to meet the ever-changing needs of the user.

Approximately 625 men and women work at this plant, located at Shawinigan, Que., about 25 miles north of Trois-Rivières. They have established one of the best accident prevention records in Quebec, and help to promote safety throughout their community.



## WHITBY WORKS

Whitby Works produces 17 grades of polyethylene film in sheet and tubing form for the packaging and construction industries, including "Sclairfilm" polyolefin films made from resins produced at St. Clair River Works. The plant also produces "Vexar" plastic netting. Since it went into operation in 1959 the plant has been expanded to nearly three times its original size.

Located at Whitby, Ont., east of Toronto, the Works employs more than 120 men and women.

## SAINT JOHN, N.B., PLANT

The Saint John, N.B., plant of the Films Department extrudes "Sclairfilm" polyolefin film for packaging and industrial uses to meet the needs of customers throughout the Atlantic Provinces. This plant uses resins produced at St. Clair River Works.



## ST. CLAIR RIVER WORKS

The Plastics Department's Works at Corunna, five miles south of Sarnia, Ont., produces "Sclair" linear polyethylene resins. The plant, which went into operation in 1960, is of the automated, push-button

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type with open-air process buildings and a central control room.

“Sclair” resins are made by a unique process and are available in a broad spectrum of densities ranging from soft film resins to stiff resins for industrial applications. These resins are shipped to moulders and extruders of products such as housewares, toys, tote boxes, bottles for detergents and toiletries, “Sclairpipe” (both rigid and coilable), transparent film and electrical insulation.

Manufacturing capacity of St. Clair River Works was increased to 50 million pounds of resins in 1963 and expansion is continuing. About 200 men and women are now employed here.



## KINGSTON WORKS

Kingston Works of the Textile Fibres Department, established in 1942, began with 200 employees who produced nylon yarn for only one major end-use - parachute shroud cords. Today, the plant has grown to more than 20 times its original size and employs 2,500 men and women. It produces hundreds of types of nylon - in yarns, staple fibre, monofilament, tow, moulding resins and powder - for the manufacture of end-products ranging from sheer stockings to tire cord, from brush bristle to machine gears.

At first, the plant produced nylon filament yarns from imported polymer. Subsequent developments, including the production of the basic chemicals from cyclohexane at Du Pont of Canada's Maitland Works, have made nylon completely Canadian from raw material to finished product.

Expansion has gone on virtually every year since Kingston Works was originally built. In 1957 a technical laboratory was added, also a unit to



make "Zytel" nylon resins for the Plastics Department. In 1962 facilities to produce a continuous filament nylon yarn for carpeting were completed. In 1963 new facilities more than doubled production of nylon monofilament, used in brush bristles and fishing lines. Production of nylon yarns for fabrics and apparel and for the manufacture of tire cord has also steadily increased.

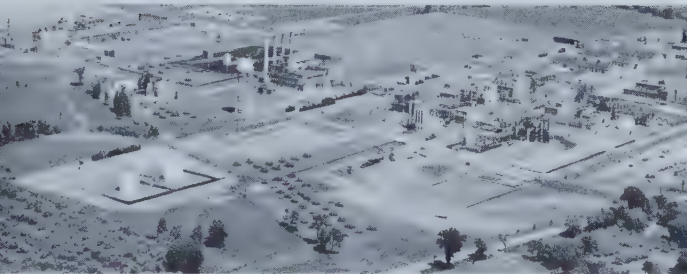
A \$10,000,000-plus program of expansion and modernization, the largest and most costly since the Works started, was completed in 1964.

New tire yarn facilities were completed in 1965. A major expansion for the production of bulked continuous filament nylon began operation in 1965. This yarn is used by carpet manufacturers and when the finished product meets specific quality standards the Du Pont "501" certification mark may be applied. Facilities for the manufacture of "Cantrece"



Tire cord is one of many uses for nylon made at Kingston.

self-crimping nylon yarn are expected to start production in mid-1966. These increases in productive capacity also involve expansion in general plant services (such as water and steam). In addition, expansion at Kingston generally necessitates expansion at Maitland Works, which supplies Kingston with the basic "intermediates" for nylon manufacture.



## MAITLAND WORKS

Maitland Works went into operation in 1953 to manufacture hexamethylene diamine and adipic acid. These two chemicals or "intermediates" are the raw materials of the Company's nylon spinning

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plant at nearby Kingston. The original unit has been expanded many times to help keep ahead of the demand for nylon in its various forms.

In addition five other manufacturing units have been built on this 1,500-acre site on the St. Lawrence River between Brockville and Prescott, Ont. One completed in 1955 (and enlarged in 1963) makes "Freon" fluorocarbons - the cooling gases in air-conditioning and refrigeration systems and the propellants in aerosols. Another, completed in 1957, makes "Orlon" acrylic fibre; additional facilities to double capacity started coming into production in 1965. The third produces "Albone" hydrogen peroxide; it went into operation in 1958. The fourth, completed in 1962, produces "Lycra" spandex fibre, a new elastic yarn. The

fifth plant, completed in 1965, makes tetraethyl lead and other anti-knock compounds used as gasoline additives.

The Works also produces several specialized compounds for the petroleum, textile and cosmetic industries.

In 1959 a new research laboratory was opened. Since start-up in 1953, the original work force of 600 has increased to more than 1,300.



Tetraethyl lead is shipped to oil refineries from Maitland plant, completed in 1965.



## NIPISSING WORKS

Nipissing Works of the Explosives Department is one of the few plants on this continent producing commercial explosives by the continuous nitration process. The latest advances in design and safety

are incorporated in its 30 buildings, which occupy about 50 acres of the plant site's 4,000. It went into operation in 1957. Since then, facilities for the production of non-nitroglycerin explosives, blasting agents and primers have been added.

The plant, five miles south-east of North Bay, Ont., is strategically located to serve the mining areas of Ontario and Quebec.

Technical assistance is provided customers throughout Eastern Canada. A Technical Section in Montreal handles particularly difficult and unusual problems.

Nipissing Works employs more than 200.



## AJAX WORKS

Ajax Works of the Finishes Department is located at Ajax, Ont., east of Toronto. The plant began operations in 1956 to produce "Dulux" enamels, "Duco" lacquers, undercoats, thinners and putties for the automotive industry, car refinishing shops and for manufacturers of refrigerators, bicycles, furniture, etc. The plant was soon expanded to make industrial finishes such as safety paints.

Facilities to produce non-stick "Teflon" tetrafluoroethylene coatings for cookware and industrial products were installed in 1964 and doubled in the following year.

A \$3,000,000 expansion was completed in 1965 to produce "Lucite" consumer paints, "Lucite" lacquers, and the "Flo-glaze Colorizer" line - acquired by Du Pont of Canada in 1964. Ajax Works now employs about 200.

## WEST COAST PAINT WORKS

The West Coast Paint Works of the Finishes Department is located at New Westminster, B.C. A wide range of consumer and industrial finishes is produced here.

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## **OUR PRODUCTS AND MARKETS**

### **CHEMICALS DEPARTMENT**

#### **MANUFACTURED:**

"Freon" fluorocarbon refrigerants, aerosol propellants and solvents; tetraethyl lead and other petroleum chemicals; hexamethylene diamine and adipic, nitric and hydrochloric acids.

#### **SERVING:**

Textile, chemical, food, refrigeration, petroleum, mining and forest products industries.

### **EXPLOSIVES DEPARTMENT**

#### **MANUFACTURED:**

Commercial high explosives; blasting agents, primers, dri-liners; industrial acids.

#### **HANDLED FOR RESALE:**

"Exprills" (ammonium nitrate prills); blasting supplies and accessories.

#### **SERVING:**

Mining, quarrying and construction industries.

### **FILMS DEPARTMENT**

#### **MANUFACTURED:**

"Cellophane" cellulose film; "Sclairfilm" polyolefin film; industrial polyethylene films; "Vexar" plastic netting.

#### **HANDLED FOR RESALE:**

\*"Mylar" polyester film, \*"Tedlar" polyvinyl fluoride film, \*"Teflon" fluorinated ethylene propylene film, \*"Dymetrol" nylon strapping.

#### **SERVING:**

Packagers of food products, paper, tobacco, textiles, fertilizer, asbestos, toys, hardware and chemicals; agricultural, electrical, construction and building products industries; and various consumer goods industries.

### **FINISHES DEPARTMENT**

#### **MANUFACTURED:**

"Dulux" enamel; "Duco" lacquer; "Flo-glaze Colorizer" and "Lucite" house and wall paints; automotive paints and lacquers; industrial paints, undercoats, thinners, putties, appliance finishes; "Teflon" tetrafluoroethylene coatings; industrial primers and enamels.

#### **SERVING:**

Automotive industry; auto-refinish industry; appliance, cookware and other industrial manufacturers; painters, decorators, home owners and other consumers.

## GENERAL PRODUCTS AND EXPORT DEPARTMENT

### MANUFACTURED:

"Albone" hydrogen peroxide and industrial acids.

### HANDLED FOR RESALE:

Neoprene, \*"Nordel", \*"Hypalon", \*"Adiprene" and \*"Viton" elastomers, \*"Hylene" organic isocyanates, rubber chemicals; white and colored pigments; \*"Elvax" vinyl resins, \*"Elvanol" polyvinyl alcohols and industrial chemicals; dyes and intermediates; auxiliary chemicals; seed-treating and weed-killing chemicals, insecticides, fungicides, animal nutrition products; x-ray and graphic arts films and \*"Dycril" photopolymer printing plates; \*"Corfam" poromeric products.

### SERVING:

Pulp and paper, metal, automotive, chemical, wire and cable, food, rubber, paint, textile, tanning, graphic arts, agricultural chemical and related industries; shoe manufacturers; hospitals, clinics and dentists.

## PLASTICS DEPARTMENT

### MANUFACTURED:

"Sclair" polyolefin resins and "Zytel" nylon resins.

### HANDLED FOR RESALE:

\*"Alathon" polyethylene resins, \*"Delrin" acetal resins, \*"Lucite" acrylic resins, \*"Teflon" tetrafluoroethylene resins, \*"Surlyn" ionomer resins, \*"Butacite" polyvinyl butyral sheet.

### SERVING:

Plastics industry; wire and cable industries; packaging, pipe, industrial and automotive components industries.

## RESEARCH AND DEVELOPMENT DEPARTMENT

### HANDLED FOR RESALE:

\*"Teflon" heat exchangers.

### SERVING:

Process industries, oil refiners, electroplaters and others.

## TEXTILE FIBRES DEPARTMENT

### MANUFACTURED:

"Antron" nylon and continuous filament nylon yarns, bulked continuous filament nylon yarn, tire yarn and staple; "Tynex" and "Herox" nylon monofilament; "Orlon" acrylic fibre and "Lycra" spandex fibre (Du Pont of Canada manufactures yarns and staple fibre only - not finished fabrics or apparel.)

### HANDLED FOR RESALE:

\*"Cantrece" nylon yarns and \*"Nomex" heat resistant nylon yarns.

### SERVING:

Manufacturers of hosiery, apparel, home furnishings, rope and industrial textiles; automobile, truck and aircraft tires; brushes; sporting goods, elastic fabrics and garments.

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**Our Products and Markets**

**Where to Reach Us** ➡



# WHERE TO REACH US

## OFFICES

MONTREAL (Head Office)  
1135 Beaver Hall Hill  
HALIFAX, 7071 Bayers Road  
SEPT ILES, Laure Ave.  
AJAX, 408 Fairall St.  
TORONTO, 85 Eglinton Ave., E.  
LONDON, 200 Queens Ave.  
SUDBURY, 16 Durham Street S.  
WINNIPEG, 491 Portage Ave.  
CALGARY, 1011-17th Ave., S.W.  
VANCOUVER, 1111 West Georgia St.

## SALES REPRESENTATIVES

|                      |                     |
|----------------------|---------------------|
| Grand Falls, Nfld.   | North Bay, Ont.     |
| Bathurst, N.B.       | Kingston, Ont.      |
| Fredericton, N.B.    | Burlington, Ont.    |
| Lac Jeannine, Que.   | Windsor, Ont.       |
| Quebec, Que.         | Timmins, Ont.       |
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| Ottawa, Ont.         | Fort William, Ont.  |

## RESEARCH CENTRE

Kingston, Ont.

## PLANTS

|                       |                 |
|-----------------------|-----------------|
| Saint John, N.B.      | Whitby, Ont.    |
| Shawinigan, Que.      | Ajax, Ont.      |
| Maitland, Ont.        | Sarnia, Ont.    |
| Kingston, Ont.        | North Bay, Ont. |
| New Westminster, B.C. |                 |

If you are planning to be in Montreal for EXPO '67, April 28 to October 27, 1967, watch for the daily program of scientific films and lectures at the Du Pont of Canada Auditorium, located on St. Helen's Island.

*For further information please write:*

**Public Relations Department  
Du Pont of Canada Limited  
Box 660, Montreal 3, Que.**

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